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**FINAL DRAFT REPORT**

# **MONITORING PROGRAM PERFORMANCE: USAID/MANILA**

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**Prepared by:**

Theresa Ware, ASIA\FPM  
Thomas J. Cook, Research Triangle Institute  
Karen Horsch, Labat-Anderson, Inc.  
J. Kathy Parker, Management Systems International

**Submitted to:**

Thomas Stukel, Mission Director

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## **EXECUTIVE SUMMARY**

### **Introduction**

Phase II of the PRISM exercise was carried out by USAID/Philippines during October 25, 1993 to November 12, 1993. Technical assistance in developing the Mission's Performance Monitoring Plan was provided by the Center for Development Information and Evaluation (CDIE) through the PRISM contract. The team which assisted USAID/Philippines in this activity included: Theresa Ware, USAID/Asia Bureau, who served as Team Leader and was responsible for the Democracy Strategic Objective (SO); Dr. Thomas J. Cook, Research Triangle Institute, Co-Team Leader, who was responsible for the Economic Development SO; Karen Horsch, Labat-Anderson, Inc., who was responsible for the Health and Population SO; and Dr. J. Kathy Parker, Management Systems International, who was responsible for the Environment SO.

### **Background to the PRISM exercise**

Just prior to the team's arrival, the Mission received notification that the projected funding for its approved strategy over the five year planning horizon had been cut by approximately 65%. Mission management and staff faced very difficult choices about funding priorities. The team was asked to facilitate the process of adjusting to the reduced funding levels by using the PRISM exercise initially to 'step back' and review the Mission's approved strategic plan in light of the new funding realities and reduce, where appropriate, the scope of program activity. This request set the parameters for the team's objectives and expectations for the exercise.

The objectives for the Exercise were to:

- ▶ Step back, and facilitate Mission review and refinement of the strategy in light of new funding realities;
- ▶ Assist the Mission in the identification of indicators, data sources, approaches, etc., and identify office(s) responsible for strategic objectives (SOs) and program outcomes (POs);
- ▶ Secure baseline estimates, where possible, of measures of indicators for SOs and POs;
- ▶ Recommend next steps for the Mission in the future implementation of its performance monitoring plan.

### **Accomplishments of the exercise:**

With the constructive participation of the Mission management and staff, the team was able to accomplish the following:

- ☞ Facilitated reformulation of the Mission strategy tree with fewer SOs and POs to fit future program priorities and expected funding levels for the strategy period: the number of

SOs was reduced from five to four and the number of POs was reduced from 21 to 10.

☞ Completed tables for all SOs and POs for indicators, data sources, office responsibilities, and so forth. This information is presented in Chapter II;

☞ Provided baseline estimates for the SOs and POs where data were readily available;

☞ Developed recommended next steps for implementation of the performance management plan for the Mission.

### **Recommended next steps:**

In a final briefing to senior Mission management, the team recommended the following next steps:

↗ Review draft report and provide reactions/suggestions to CDIE. The review should take into account the results of the Mission's up-coming quarterly program review. The report should serve as a 'living document' for Mission planning and programming.

↗ Complete identification of baseline measures and the preparation of the information for the remaining performance monitoring system tables included in Appendix D of this report.

↗ Formalize the organization and operation of a Performance Management Committee (PMC). The committee would be chaired by the Office of the Mission Director and include the Chiefs of the Planning and Resources Management and Project Development and Implementation Support Offices, and the chairpersons of the SO work groups. The PMC would provide a highly visible venue and provide continuity in the implementation of the performance monitoring processes essential to the Mission's commitment to managing for results.

## **CHAPTER I. INTRODUCTION AND BACKGROUND TO THE PRISM II EXERCISE**

The second phase in the development of a Mission-wide Program Performance Information System was carried out by USAID/Manila from October 25 - November 12. The Mission held a retreat in December 1992 to begin the process of developing a strategy. This was followed in February 1993 by a strategic planning exercise conducted through PRISM which resulted in a refinement of the strategy. The USAID/Manila Strategy for the period from 1993-1998 was presented by the Mission to the Asia Bureau in June 1993. This plan was approved by the Bureau and included five strategic objectives and twenty-one program outcomes as presented in the Philippine Assistance Strategy 1993-1998. The approved plan was the anticipated starting point for the PRISM II exercise reported herein.

### **A. Reduced Funding for the Mission Program**

The major change in the Mission from the time of PRISM I to the present exercise has been a drastic reduction in its funding. Projected funding levels for the five year strategy period beginning May/June 1993 have been reduced by approximately 65%. Funding levels were broadly defined by the Mission as committed funds and potentially reprogrammable funds. As the team arrived to begin the exercise, Mission management and staff had just received notification of the exact magnitude of the reduction and were, understandably, still absorbing the reality of it in terms of the strategic and programmatic implications.

The team was briefed by senior management on the projected funding cuts and their implications for Mission programming, and was, accordingly, directed to assist the Mission in 'revisiting' its strategy. Specifically, we were charged with facilitating a process for refining the approved Mission strategy in line with the new funding levels. This 'stepping back' to reassess the strategy - to identify which SOs and POs the Mission could accomplish - was viewed as an essential prerequisite to the development of a Mission-wide performance monitoring plan.

We were also urged to facilitate this 'stepping back' process within a *Mission strategy* perspective, rather than solely in a sector- or objective-specific manner. By examining and identifying the interrelationships of specific Mission activities across the program, and retaining those which made the most significant and verifiable contribution to advancing the Mission's strategy, the Mission felt it would be better able to utilize its limited resources. The specifics of these 'linkages' of SOs and POs across the portfolio are discussed below.

### **B. Work of the PRISM Team**

Given this background and charge, the team set the following as our working objectives for the TDY:

- To revisit the PRISM I strategy to carefully consider each SO and PO in terms of its potential contribution in light of projected funding. Practically speaking, this meant facilitating a process by which the Mission SO working groups could decide which SOs and POs were essential to the Mission's strategy and could be adequately funded

to ensure their accomplishment. The working groups involved are listed in Appendix A;

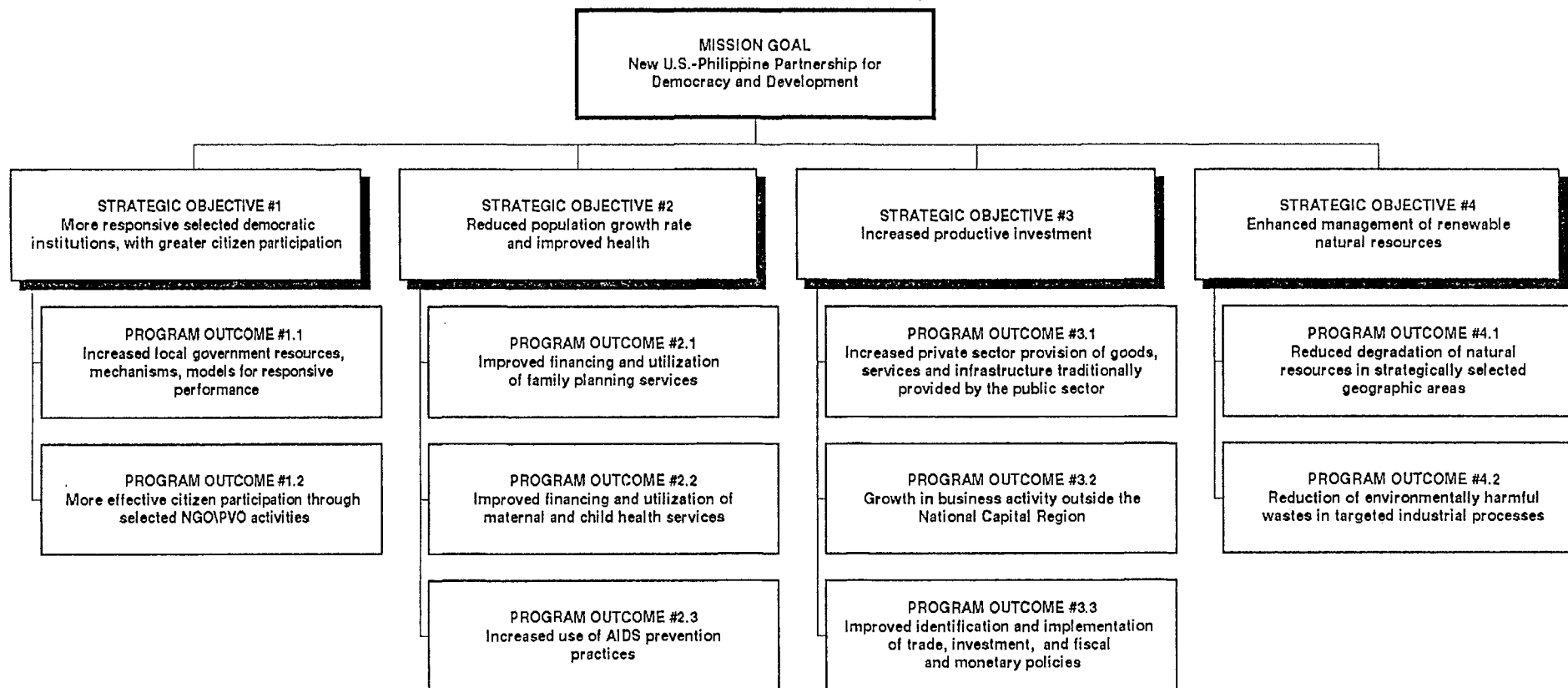
- To identify performance indicators, data sources, estimate potential data collection costs and quality, identify offices responsible for data collection and analysis, and where possible, specify baseline data for SO and PO indicators;

- Based on the team's reflection on the TDY exercise, to recommend next steps and identify potential Mission management implications that need to be considered in order to further implement the Mission's performance measurement system.

### **C. Organization of the Report**

The remainder of the report will begin by discussing each of the strategic objectives and their related program outcomes in turn, including the tables of performance indicators, their definitions, data sources, and so forth. The final chapter will present the team's recommendations and proposed next steps. Four appendices follow this chapter.

## USAID\Manila Objective Tree



## **CHAPTER II. Mission PERFORMANCE MONITORING PLAN**

### **A. Introduction**

The following presents USAID\Manila's revised objective tree. As stated in the Executive Summary, the objective tree has been substantially revised in light of new funding realities. This revision has not resulted in a change of the core strategy of the Mission as approved by the Bureau in June 1993 - the Mission will continue to work in the Democracy, Environment, Economic Growth and Health and Population areas. In the spirit of simplifying the overall strategy presentation and the recognition that subgoals are outside the Mission's 'manageable interest' and are therefore not monitored, these have been eliminated from the strategy.

### **B. STRATEGIC OBJECTIVE 1: More Responsive Selected Democratic Institutions, With Greater Citizen Participation**

The democracy working group began this process by reconfirming what it intended to accomplish with this strategic objective. In brief summary, the Mission's program in the democracy sector envisions a society in which individuals, the groups which represent them (people's organizations, NGOs\PVOs), and formal government institutions (at both the local and national level) work together to identify, plan and implement programs which address constraints to individual and institutional development. The Mission seeks to increase the opportunities for individuals to take responsibility for and participate in making decisions which affect their lives and to hold their institutions accountable. The democratic institutions are defined by the working group as both governmental and extra-governmental. To the first belong the judicial sector and the Local Government Units, to which authority and responsibility was transferred in the Local Government Code of 1991. To the second belong the NGOs and PVOs (and various derivatives - PVO\NGO networks, people's organizations) which have as their function the representation and articulation of citizens' needs and wants. The Mission believes that this approach will promote the self-determination and participation upon which long-term sustainability of programs and institutions depends.

Although this objective is unchanged from the strategy submitted by the Mission in June 1993, several of the outcomes have been revised to reflect a narrowing of the scope of specific activities. Program Outcome 1.2 is revised slightly and incorporates aspects of the demand for justice activity which was previously Program Outcome 1.3 and it also incorporates some of the activities previously included in Program Outcome 2.5. The Mission has refocused its PVO\NGO activities to concentrate more on the contribution made by these activities to citizen participation.

Mission success in the achievement of this objective depends upon continued funding of its PVO\NGO activities and support for the forthcoming Local Government Development Project. Mission success in this objective also depends upon a participatory approach being taken by the other aspects of the Mission strategy which work with LGUs and NGOs\PVOs. The Mission believes that in the next five years it will see an increase in the opportunities people have to participate in the decision-making process and in the responsiveness of



institutions to the needs of people.

There are several critical assumptions upon which the successful accomplishment of the objective is predicated. These are unchanged from PRISM I and include: an increase in citizen demand for reform will lead to reform; local and national governments are committed to reform; the government is capable of making reform; the national government will continue to support decentralization; the President and the Supreme Court are willing to support the necessary changes in the judiciary; GOs and NGOs will continue to strengthen their partnership; NGOs\PVO leaders are able to mobilize resources.

**Program Outcome 1.1: Increased local government resources, mechanisms and models for responsive performance**

This outcome is unchanged from PRISM I and is perhaps best understood as the 'supply side' aspect of the program. The 1991 Local Government Code devolved authority, resources and responsibility to Local Government Units (LGUs). The Mission is working to support selected LGUs' efforts to carry out these new responsibilities by providing technical assistance in the areas of capital investment planning, financial management, and planning administration (including the environment) in order to strengthen their ability to respond to citizens' needs. Essential to this process will be the development of plans which have been identified and developed by LGUs in consultation with individuals and groups.

The assumptions the Mission is making about the achievement of this program outcome are those defined in the PRISM I report, namely: government will continue support for revenue sharing; universities are interested and responsive; there is an increase in the number of accredited NGOs\PVOs; local government officials are willing to work on tax issues; LGU\NGO mutual distrust can be overcome.

**Program Outcome 1.2: More effective citizen participation through selected NGO\PVO activities**

Critical to increased participation and voice in democracy is the ability of individuals to partake of opportunities to participate. The NGO\PVO community has historically provided the mechanism by which individuals participate. The Mission feels that NGOs\PVOs (and the more informal people's organizations) will continue to serve an important role in the decentralization process, namely being a mechanism by which individuals can articulate their interests and work with local government in a participatory manner.

The working group also spent a considerable amount of time discussing its program in the judicial sector and what role, if any, the Mission should play in promoting reform in this sector. The Mission feels that that reform of the national judiciary is an important area to work in but realizes at this point, given the apparent absence of desire for reform, all it can do is increase opportunities for individuals to become more aware of the need for reform in the judiciary and demand it. To this end, it is promoting legal research, media and other groups which address and educate about problems in the judiciary. At the local level, the Mission is working to support opportunities for legal redress to individuals through NGOs\PVOs. Such opportunities may exist through the formal judicial structure and also

include Alternative Dispute Resolution.

The critical assumptions for this outcome include: NGOs will be able to agree on reform priorities; public advocacy will be tolerated by local elites; LGU\NGO mutual distrust can be overcome; NGOs\PVOs are open to new ideas.

## DEMOCRACY STRATEGIC OBJECTIVE WITH INDICATORS

**STRATEGIC OBJECTIVE #1**  
More responsive selected democratic  
institutions, with greater citizen participation

- percent of people who believe that they are able to participate in the decision-making process (disagg.) (ONRAD, OVC)
- percent of people who believe that institutions are responsive (disagg.) (ONRAD, OVC)

**PROGRAM OUTCOME #1.1**  
Increased local government resources,  
mechanisms, models for responsive  
performance

- net tax collection by selected LGUs (ONRAD)
- # of LGUs accessing banks/bonds (ONRAD)
- # of LGUs with priority plans developed with broad participation (ONRAD)
- # of LGUs with env. mgmt. plans developed with broad participation (ONRAD)

**PROGRAM OUTCOME #1.2**  
More effective citizen participation through  
selected NGO/PVO activities

- number of local communities engaged in participatory development activities through NGOs/PVOs (OVC)
- number of disadvantaged groups assisted by NGOs/PVOs to seek redress through appropriate systems (OVC)

# OBJECTIVE: MORE RESPONSIVE SELECTED DEMOCRATIC INSTITUTIONS, WITH GREATER CITIZEN PARTICIPATION

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
percent of people who believe that they are able to participate in the decision-making process (disagg.)	(see comments)	Rapid Field Appraisal public opinion survey (i.e. Social Weather Station)	survey	TBD (1994)	HIGH	B	ONRAD OVC PRM (data collection)
percent of people who believe that institutions are responsive (disagg.)	(see comments)	Rapid Field Appraisal public opinion survey (i.e., Social Weather Station)	survey	TBD (1994)	HIGH	B	ONRAD OVC PRM (data collection)
<p><b>COMMENTS:</b> The data for these indicators will come from two sources: Rapid Field Appraisals and the Social Weather Station. The Rapid Field Appraisals, currently conducted under the LDAP project and to be continued under the proposed LGD project, will provide the Mission qualitative information for these indicators - the extent to which people feel institutions are more responsive and they have more opportunity to participate. The Social Weather Stations, a polling organization, will monitor changes in the number of people, nationwide, who believe their institutions are more responsive and they have an opportunity to participate in decision-making.</p> <p>Collection of data through the Social Weather Stations not currently undertaken and will require additional Mission resources. One option would be through the Mission's PD&amp;S funds.</p> <p>The precise questions to be posed and the respondent base will have to be determined.</p>							

**PROGRAM OUTCOME: INCREASED LOCAL GOVERNMENT RESOURCES, MECHANISMS AND MODELS FOR RESPONSIVE PERFORMANCE**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
net tax collection by selected LGUs	value of taxes collected by selected LGUs	project records: LGD	Data Abstraction	TBD (1994)			ONRAD
number of LGUs accessing banks\bonds (nationwide)		project records: LGD	Data Abstraction	TBD (1993)			ONRAD
number of LGUs with priority investment plans developed with broad participation (selected LGUs)	Aggregate number of LGUs which have developed plans for capital investment in consultation with individuals in the community and the groups which represent them (i.e., people's organizations, PVOs\NGOs).  The LGU s included here will be limited to those with which the project will be directly working.	project records: LGD	Data Abstraction	TBD (1994)			ONRAD
number of LGUs with environmental management plans developed with broad participation (selected LGUs)	Aggregate number of LGUs which have developed plans for local environmental management in consultation with individuals in the community and the groups which represent them (people's organizations, PVOs\NGOs)	project records: LGD	Data Abstraction	0 (1993)			ONRAD
COMMENTS:							

**PROGRAM OUTCOME: MORE EFFECTIVE CITIZEN PARTICIPATION THROUGH SELECTED NGO\PVO ACTIVITIES**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE\PERSON
number of local communities engaged in participatory development activities through NGOs\PVOs (nationwide)	<p>Aggregate number of local communities (Barangays) which have undertaken at least one development activity with the participation of individuals and the groups which represent them (people's organizations, NGOs\PVOs).</p> <p>Participation is defined as involvement in the design, planning and implementation of these activities.</p> <p>A development activity is an activity which addresses a social or economic need (i.e., water system, livelihood, transportation, health, natural resource regeneration)</p>	<p>project records:</p> <p>PVO Co-fi IV</p>	grantee surveys\reporting	TBD (1994)	HIGH	A	OVC
number of disadvantaged groups assisted by NGOs\PVOs to seek redress through appropriate systems	<p>Aggregate number of disadvantaged groups which obtain assistance from NGOs\PVOs to exercise their rights.</p> <p>A disadvantaged group is defined as any group of people organized to address a specific systemic constraint or exercise a legal right .</p> <p>Appropriate systems are here defined as formal local and national governmental institutions and alternative or informal systems (such as Alternative Dispute Resolution).</p>	<p>project records:</p> <p>PVO Co-fi IV</p>	grantee surveys\reporting	TBD (1994)	HIGH	A	OVC
COMMENTS							

### **C. STRATEGIC OBJECTIVE 2: REDUCED POPULATION GROWTH RATE AND IMPROVED HEALTH**

This strategic objective has been substantially restated from the previous strategy and represents, the Mission believes, a clearer articulation of the intended impact of its health and population program. The previous objective 'Improved Health and Economic Well-Being of Targeted Populations' incorporated both the health and population and the income generation and training aspects of the Mission program. The latter activities have now been reduced and refocused and the remaining activities have been incorporated in the democracy objective. Thus, the program outcome (2.5) related to these activities has been eliminated from this strategic objective. The funding reductions in USAID\Manila have affected some of the Mission's health and population activities, specifically have resulted in a reduction in the level of funding and effort for the health care financing activities; but the core of the Mission program in this area, population and health services, remain as previously anticipated. The health care financing activities which remain will concentrate on support for the decentralization of health and population services and less so on a national health insurance scheme and policy reform agenda. As a result, the health care financing outcome has been eliminated from this objective and the support for devolution activities have been identified in program outcomes 2.1 and 2.2 as part of the overall support the Mission provides in family planning and child survival\maternal health. In the presentation of the Mission strategy in June 1993, the Mission included the direct feeding program as funded with PL480 as part of the second program outcome ('Increased utilization of maternal and child health services') and included a nutrition indicator for the strategic objective. During this TDY, the working group for this objective revisited the PL480 issue and concluded that the Mission could not be held accountable for changes in the nutritional status of even the very targeted population served by the direct feeding program. Additionally, the Mission is hoping to increase the monetized portion of the PL480 account and reduce the size of the direct feeding program. This indicator has been eliminated. For this reason, the working group eliminated the indicator 'better targeted feeding program' for program outcome 2.2.

The rationale for the Mission program in the health and population sector has been articulated in the Mission's strategy which was submitted to and reviewed in AID\W in June 1993. The revised wording of the objective reflects the Mission's program more clearly in terms of both its intended demographic and health impacts. The Mission feels that, given the magnitude of its program (activities in this area currently make up almost half of the Mission's total DA), the fact that AID is the largest donor in family planning, and the significant investment and commitment (both AID's and the Philippine government's) already made in family planning, that it can have an impact on the population growth rate in the Philippines in the 5 year timeframe of the strategy. It has identified the population growth rate as one of its program performance indicators. Fortunately, the Demographic and Health Survey (DHS) has just been completed for the Philippines and will provide much of the baseline data for monitoring outcomes and the objective. The next DHS is planned for 1998, the end year for the USAID\Manila strategy period.

The critical assumption for the achievement of this objective remains as it was during the first PRISM exercise: that the GOP government will continue to maintain priority for family planning, child survival and AIDS prevention and control programs.

**Program Outcome 2.1: Improved financing and utilization of family planning services.**

This outcome has been revised slightly to highlight financing as an important aspect of the program. Improved financing is particularly important considering the very high unmet need for family planning in the Philippines and the limited resources available. Under the new performance-based disbursement component of the Integrated Family Planning and Maternal and Child Health Program, Local Government Units (LGUs) will be required to budget for family planning services and the Mission's National Health Finance Project will support LGUs' efforts to develop budgets and cost recovery schemes. The activities contributing to this outcome represent the most significant part of the portfolio in health and population. The Mission expects to see a substantial increase in the use of contraception in the coming years which will result in reductions in the fertility and the population growth rates.

The critical assumptions linking activities to this outcome are as identified during PRISM I: the national government will continue to support decentralization, especially in the health services area; LGUs will provide funding and staff for family planning services; LGUs, NGOs and private sector will cooperate in providing local level family planning services; the DOH will provide supporting family planning and maternal\child health services to LGUs and NGOs in a timely manner.

**Program Outcome 2.2: Improved financing and utilization of maternal and child health services.** Significant gains have been made in maternal and child health in the Philippines in the past years and the activities incorporated in this outcome seek to ensure that those gains are maintained in the period of devolution. As discussed above, the Mission has also chosen to highlight the financing aspect of the program in this outcome and will work with LGUs to ensure that maternal and child health services are adequately budgeted for. The Mission's activities are also focused on ensuring that child survival services and maternal health services (such as pre- and post-natal care) continue to be available through the LGUs. As discussed above, the direct feeding activities of the Mission (PL480) have been eliminated from this objective.

The critical assumptions for achievement of this objective are: the national government will continue to support decentralization (LGUs), especially in the health services area; LGUs will continue to support immunization services for women and children to maintain the gains of the child survival program; DOH will continue to provide vaccines to LGUs on a timely basis.

A complementary relationship exists between the first two program outcomes and the successful accomplishment of both will lead to both the demographic and health impacts sought by the Mission. Simply stated, the increased use of contraception, especially by women who are considered at high risk - are too young (under 19), too old (over 35), who already have too many children (over 4), or who have children too closely spaced (less than two years apart), is expected to lead to both a reduction in fertility and population growth rates and improved health for both women and children. Conversely, the improved health of children, through immunization and other interventions, is expected to lead to a decreased



demand for children.

**Program Outcome 2.3: Increased use of AIDS prevention practices.** This outcome remains unchanged. The Mission is developing a surveillance system in order to establish the HIV seroprevalence rate in the Philippines and is working, through information campaigns, to increase people's awareness of the dangers of HIV/AIDS and how to protect themselves. The Mission has chosen to monitor indicators of use of AIDS prevention practices. Given that the seroprevalence rate in the Philippines is not currently known, the Mission will not be able to monitor changes in it during the strategy period. By the end of the strategy period, the Mission will have a baseline HIV Seroprevalence figure but has dropped this indicator as a measure of program performance during this strategy period.

The assumption for this outcome remains as it was in PRISM I: government support for AIDS prevention practices will continue to be strong and visible.

The achievement of this objective and its related outcomes is impacted by and impacts on several other aspects of the USAID/Manila strategy. The Mission recognizes the very precarious relationship which exists between population growth and the existing natural resource base in the Philippines. It believes that a reduction in the fertility and population growth rates are essential if the Mission to have a significant effect on the long-term sustainability of the environment. From an operational standpoint, the Mission offices working in the environment and health/population sectors will collaborate to develop materials which educate people about the environmental as well as the health implications of family planning services. Additionally, as NRM activities (e.g. development of environmental plans) are promoted with NGOs/PVOs, LGUs and other organizations, NRM specialists will discuss the close links between reduced population growth and enhanced management of renewable natural resources. They will also identify groups who may be receptive to information on family planning services or conversely on groups who may need more information that will help achieve both SOs.

## HEALTH AND POPULATION STRATEGIC OBJECTIVE WITH INDICATORS

### STRATEGIC OBJECTIVE #2 Reduced population growth rate and improved health

- population growth rate (OPHN)
- infant mortality rate (OPHN)
- total fertility rate (OPHN)
- maternal mortality rate (OPHN)

#### PROGRAM OUTCOME #2.1 Improved financing and utilization of family planning services

- contraceptive prevalence rate - all (OPHN)
- contraceptive prevalence rate - modern (OPHN)
- number of LGUs which have a budget for FP services (OPHN)
- percent of family planning services  
provided by the private sector (OPHN)

#### PROGRAM OUTCOME #2.2 Improved financing and utilization of maternal and child health services

- percent of children fully immunized (OPHN)
- percent of women immunized against tetanus toxoid (OPHN)
- number of high risk pregnancies (OPHN)
- number of LGUs which have a budget for MCH services (OPHN)

#### PROGRAM OUTCOME #2.3 Increased use of AIDS prevention practices

- functioning surveillance system established (yes/no) (OPHN)
- percent people in high-risk groups who  
adopt safe-sex practices (OPHN)
- condom use (OPHN)
- condom sales (OPHN)

# OBJECTIVE: REDUCED POPULATION GROWTH RATE AND IMPROVED HEALTH

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Population Growth Rate	Rate at which a population increases or decreases in a given year due to natural increase and migration.  This is a national rate.	Census (1990, 2000)  National Statistics Office Population Projections (1995) UPPI	survey  demographic projections	2.4 (1990)	HIGH	A	OPHN
Infant Mortality Rate	The number of deaths in infants (children under age one) in a given year per 1,000 live births in that same year.  This is a national rate.	DHS (93, 98)  National Statistics Office Survey (Safe Motherhood Survey) (94, 96)	survey - five year period estimates  survey	TBD (1993)	HIGH  LOW	A  A	OPHN
Total Fertility Rate	The average number of children a woman would bear during her lifetime given age-specific fertility rates.  This is a national rate	DHS (93, 98)  National Statistics Office (94, 96)	survey  survey	4.08 (1993)	HIGH  MEDIUM	A  A	OPHN
Maternal Mortality Ratio	The number of maternal deaths per 100,000 live births. Maternal death is defined as one which occurs when a woman is pregnant or within 42 days of termination of pregnancy from any cause related to or aggravated by the pregnancy or its management.  This is a national ratio.	DHS (93, 98)  National Statistics Office (Safe Motherhood Survey) (94, 96)	survey  survey	TBD (1993)	HIGH  LOW	A  A	OPHN
COMMENTS:							

# PROGRAM OUTCOME: INCREASED FINANCING AND UTILIZATION OF FAMILY PLANNING SERVICES

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Contraceptive Prevalence Rate - all methods	Married women of reproductive age (MWRA) using a form of contraception.  This is a national rate.	DHS (93, 98)  National Statistics Office (94, 96)  Contraceptive Distribution Logistics Management Information System (DOH) (annual)	survey  survey  MIS records	40 (1993)	LOW  LOW	A  A	OPHN
Contraceptive Prevalence Rate - modern methods	MWRA using a modern form of contraception  This is a national rate.	DHS (93, 98)  National Statistics Office (94, 96)  Contraceptive Distribution Logistics Management Information System (DOH) (annual)	survey  survey  MIS records	24. 2 (1993)	LOW  LOW	A  A	OPHN
number of LGUs which have budget for FP services  (see comments)	Aggregate number of LGUs which have developed a budget explicitly for support of FP services.  This includes participating and non-participating LGUs.	Project Records:  Integrated FPMCH Project (annual); National Health Finance Project (annual)	project records - data abstraction	TBD (1994)	LOW	A	OPHN
Percent of family planning services provided by the private sector  (see comments)	Percent of FP services provided by commercial outlets, NGOs/PVOs.  This is a national figure.	DHS (93, 98)  SOMARC (annual)	survey  sales records from participation firms	25 (1993)	HIGH  LOW	A  A	OPHN

## COMMENTS:

The future sustainability and the ability for the national family planning program to address the large unmet need for contraception in the Philippines depends upon increased financial commitment by Local Government Units (LGUs), which now have responsibility and authority for delivering services and an increasing share of the cost for contraception by those who can afford it.

**PROGRAM OUTCOME: IMPROVED FINANCING AND UTILIZATION OF MATERNAL AND CHILD HEALTH SERVICES**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Percent of children fully vaccinated	Proportion of living children between the ages of 12 and 23 months who have been vaccinated before their first birthday - three times in the cases of polio and DPT and once for both measles and BCG.  This is a national rate.	DHS (93, 98)  National Statistics Office (94, 96)  DOH (annual)	survey  survey  service statistics	71.5 (1993)	HIGH   LOW	A   B	OPHN
Percent of women vaccinated against tetanus toxoid	Proportion of women in a given time period who have received two doses of tetanus toxoid during their pregnancies.  This is a national rate.	DHS (93, 98)  National Statistics Office (94, 96)  DOH (annual)	survey  survey  service statistics	64.8 (1993)	HIGH   LOW	A   B	OPHN
Percent of high-risk births	Percent of births to women who are over age 35, under age 20, who have had a child in the last two years or who have had more than four children.  This is a national rate.	DHS (93, 98)  National Statistics Office (Safe Motherhood Survey) (94, 96)	survey  survey	TBD (1993)	HIGH  LOW	A  A	OPHN
number of LGUs which have a budget for MCH services	Aggregate number of LGUs which have developed a budget explicitly for support of FP services.  This includes participating and non-participating LGUs.	Project Records:  Integrated FP/MCH Project (annual)  National Health Finance Project (annual)	project records - data abstraction	TBD (1994)	LOW	A	OPHN
COMMENTS:							

**PROGRAM OUTCOME: INCREASED USE OF AIDS PREVENTION PRACTICES**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE\PERSON
functioning surveillance system established (yes/no)  (see comment #1)	The establishment of a national HIV surveillance system which systematically and regularly determines the HIV seroprevalence rate in the Philippines.  This is a qualitative indicator.	Project records:  AIDS Surveillance and Education Project (EOPS)	Project EOPS	No (1993)	LOW	A	OPHN
percent people in high-risk groups who adopt safe-sex practices	Proportion of people in high-risk populations (defined as sex workers, homosexuals, bisexuals, overseas contract workers and intravenous drug users) who respond they have either fewer casual partners or protected sex.	surveys conducted through AIDS Surveillance and Education Project (93, 96)	baseline survey (1993)  follow-up survey (1996)	TBD (1993)	LOW	A	OPHN
condom use  (see comment #2)	MWRA citing use of condoms .  This is a national rate.	DHS (93, 98)  National Statistics Office (94, 96)	survey  survey	1.0 (1993)	LOW	A	OPHN
condom sales  (see comment #2)	Total number of condoms sold.	SOMARC (annually)	sales figures	TBD (1993)	LOW	A	OPHN
<b>COMMENTS:</b> (1) The HIV seroprevalence rate in the Philippines is not known at present and therefore, the Mission cannot monitor the HIV transMission rate in a 5-8 year timeframe. The establishment of the surveillance system through the AIDS Surveillance and Education Project will provide a baseline HIV seroprevalence figure.  (2) Condoms are not typically used as a form of contraception in the Philippines; therefore, the Mission is using condom use as a means by which to assess AIDS prevention practices in the population.							

#### D. STRATEGIC OBJECTIVE 3: INCREASED PRODUCTIVE INVESTMENT

As with the other working groups, the decreased Mission funding levels set the tone for the discussion of SOs and POs in this sector. The economic development work group was directed by senior Mission management to pare back its program scope to what the Mission realistically could and should do within the reduced funding levels to advance Philippine economic development. It responded by reducing the number of SOs from two to one, and the number of POs from eight to three.

At their first meeting under this PRISM exercise, the work group (most of whom participated in PRISM I) decided to meet as one group in the expectation that there would be a paring back to one SO and fewer POs and that therefore they would work more effectively as one group.

The group decided early in the process to focus its effort on the refinement of one of the two PRISM Phase I SOs - Increased Productive Investment - for both substantive and practical reasons (the other Phase I PRISM SO was *More Open Market Economy*). The group felt that the Philippines has ready access to world capital markets, which provides considerable borrowing potential from multilateral institutions to meet its infrastructure and balance of payments needs. It does not need U.S. grant resources to meet these needs. The group also felt that for the most part the GOP's macro-economic policy framework was essentially in place (albeit, not fully in place, but clearly on the way), and that the Mission's course should be to work within that framework to strengthen policy implementation, rather than to allocate major future effort towards policy reform. What the Philippines does need, on the other hand, is assistance in making the best use of potentially available resources for economic development. This is an area in which the U.S. has a distinct comparative advantage; it can play a unique, effective role as an enabler and facilitator for domestic and foreign capital sources to promote the most productive use of investments in the development of the Philippine economy.

In this context *productive investment* is defined as investment that adds to the net flow of goods and/or services over time, such as investments in infrastructure and long-life plant and capital equipment.

The work group identified several critical assumptions that need to be considered in the analysis of the indicators for this SO. The SO assumes a favorable economic environment, defined generally as improving political and economic stability in the country. It also assumes an IMF program in force to provide stand-by credit and encourage macro-economic discipline.

The work group's decision to track the Productive Investment SO also reflects its view that funding levels during the strategy period will sustain effective program action in this one area instead of the two SOs from PRISM I. As will be discussed below, some of the essential concerns of the Open Market SO from PRISM I were captured in PO 3.3.

**Program Outcome 3.1: Increased private sector provision of goods, services and infrastructure traditionally provided by the private sector.**

There was no change in this PO from the Phase I PRISM. It recognizes the public funds are inadequate for needed investments, and is based on the belief that private sector provision of many services is more efficient. Under this rationale, achievement of the PO opens up opportunities for more productive investment. USAID provides studies, technical assistance, and training to support this PO. Donor coordination and leveraging of resources are key component.

The critical assumptions for this PO were likewise unchanged from PRISM I, centering on continuing GOP support for privatization and provision of incentives for private investment, viable financial markets and available financing.

**Program Outcome 3.2: Growth in business activity outside the National Capital Region (NCR).**

This PO is also a direct carry over from Phase I PRISM, and is aimed at promoting more equitable, widespread economic development throughout the country (to lessen the tendency towards economic concentration in the NCR). The Local Government Code has opened up opportunities to stimulate business activity outside the NCR. USAID activities, such as completing some infrastructure work, market promotion of selected commodities, training and technical assistance to selected firms, and providing institutional support to private sector organizations, will be concentrated in selected geographic areas. This will be reflected in the indicators for the PO.

It also important to monitor the potential linkage between economic growth and environmental concerns. Does the desired economic growth in business activity outside the NCR come at the expense of environmental degradation? The work group discussed the need to assess this possibility as part of the performance monitoring process.

The critical assumptions for this PO remained the same from PRISM I, essentially the continued improvement in infrastructure, availability of financing for business development, regulatory decentralization, and an economic environment conducive to private enterprise activity.

**Program Outcome 3.3: Improved identification and implementation of trade, investment, and fiscal and monetary policies**

Although the work group decided to track only one SO, members felt that some of the Mission activities subsumed under the Open Markets SO (PRISM Phase I) should be retained at the PO level since they represent significant activities continuing through the strategy period that will contribute to the Productive Investment SO. Also, they felt that the PO reflects the Mission's shift towards greater emphasis on *policy implementation*: working

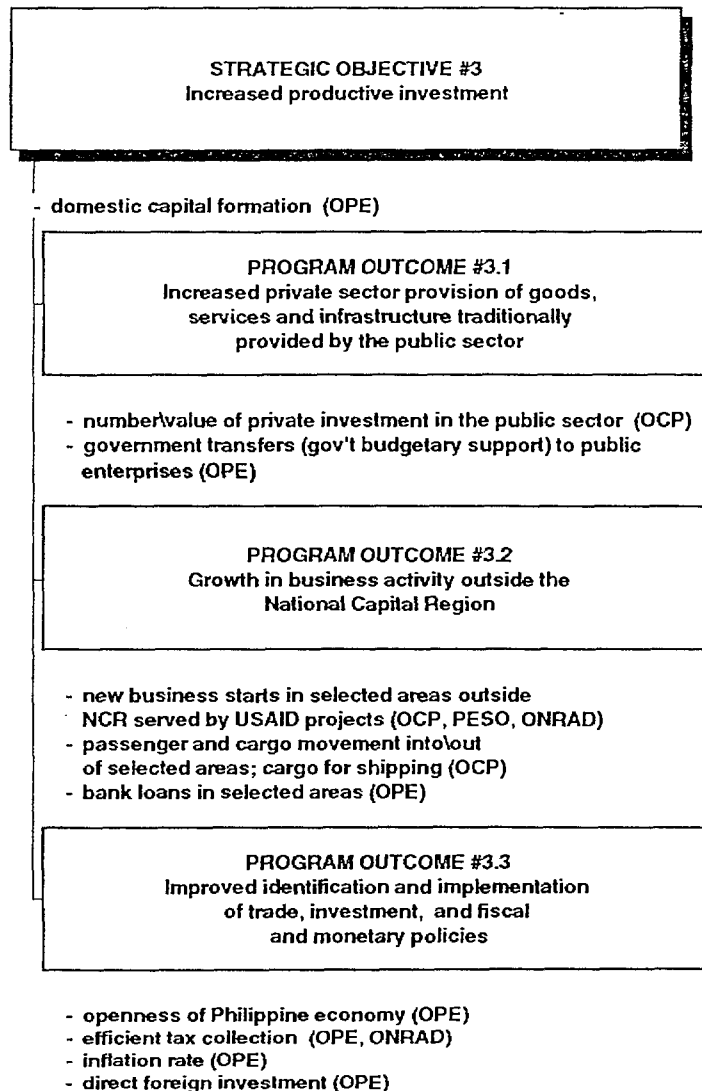


within the existing GOP economic policy framework to assist the execution of efficient and effective policies.

This PO as stated is therefore a new addition to the strategy, even though it retains activities from the PRISM I version. Specifically, the activities entail the identification of problems and the implementation of solutions within a Mission policy orientation that supports liberalized, open trade and investment policy, while at the same time promoting efficient, disciplined and stable fiscal and monetary policy. Examples include actions aimed at improving the economic efficiency of financial and real goods markets, reducing biases against international trade, increasing the GOP capacity to collect taxes, and increasing the central monetary authority's ability to make well-informed decisions in the use of monetary policy instruments, and so forth. The PO indicators will center on the four areas of trade, investment, fiscal policy and monetary policy. The work group identified four critical assumptions that need to be monitored in tracking program outcome 3.3:

- There will be no further GOP retrenchment on trade liberalization and foreign investment policies;
- The public sector deficit will not exceed 3 % of GNP;
- The operation of a market determined exchange rate; and
- A continuing political will to collect taxes.

## Economic Growth Objective Tree with Indicators



STRATEGIC OBJECTIVE 3: Increased Productive Investment

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE\PERSON
Domestic Capital Formation	a) Real Growth in GDCF b) Ratio of GDCF to GNP	Philippine National Accounts (Annual)	Data Abstraction	a) 9 % (1992) b) 20.5 % (1992)	Negligible, low	B	OPE
<p>COMMENTS: Mission responsible for the <i>direction of change in the indicators</i>; prediction is that they will increase in value of GDCF over the strategy period.</p> <p>To the extent that data are available, analysis should take into account private and public investment, and foreign and domestic investment.</p> <p>GDCF captures domestic as well as foreign capital. Measure also includes depreciation (hard to factor out)</p> <p>For <b>baseline year</b> column, table will include the actual baseline amount or a "to be developed" (TBD) date indicating when the data will be available.</p> <p>The baseline estimates for this SO and its POs are provisional, and will be refined through further analysis and interpretation.</p>							

**PROGRAM OUTCOME 3.1: Increased Private Sector Provision of Goods, Services, and Infrastructure Traditionally Provided by the Public Sector**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Number/value of private investment in the public sector	a) Total number of projects initiated through the public-private partnership (PPP). b) Total Value (cost) of investments generated through the PPP.	Coordinating Council of the Philippines Assistance Program (CCPAP) Reports. (Annual)	Data abstraction	a) 1 (1991)  b) \$ 41 million (1991)	Low	A	OCP
Government Transfers (i.e., government budgetary support) to public enterprises	Amount of government budgetary support (Pesos) to Government Owned and Controlled Corporations (GOCC).	GOP Department of Budget and Management Annual Reports (Annual)	Data abstraction	P8 billion (1992)	Low	A	OPE
<p>COMMENTS: Amount of government budgetary support should be analyzed net of divestiture cost, if data available. Need to explore the use of cumulative, absolute numbers/value for private investment in the public sector.</p>							

### PROGRAM OUTCOME 3.2: Growth in Business Activity Outside the National Capital Region

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
New business starts in selected areas outside NCR served by USAID projects	Number of new business starts in selected areas	GOP Department of Trade and Industry Registers; Security and Exchange Commission (Annual)	Special Study: Low cost survey to collect and process data at least twice per year	TBD (March 1994)	High	A-B	OCP PESO ONRAD
Air passenger and air Cargo Movement in to/out of selected areas; Cargo movement for inter-island shipping	Number of air passengers, and the tonnage of cargo moving in to/ out of selected areas	Philippines Airlines (Annual); Philippine Port Authority, or specific ports(annual)	Data abstraction	GSC: Cebu: Babao:	Low	A	OCP
Bank Loans in selected areas	Total number and amount of loans	Central Bank of the Philippines (Annual)	To be developed (TBD)	TBD (March 1994)	To be determined	A	OPE
<p><b>COMMENTS:</b> Number of new business starts does not capture businesses that close down nor business expansion. Also, use of the measure will require support from Program Office to fund special studies. Business expansion captured in passenger and cargo movement and bank loans.</p> <p>Passenger/cargo measure includes domestic and international.</p> <p>Indicators will focus on geographic areas (e.g., General Santos City, Cebu, Babao) in which USAID activity is concentrated.</p> <p>Business starts will be disaggregated by gender of owner, if possible.</p> <p>Bank loan indicator aims at business expansion; analysis of bank loans needs to take into account overdrafts.</p>							

**PROGRAM OUTCOME 3.3: Improved Identification and Implementation of Trade, Investment, and Fiscal and Monetary Policies**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Openness of the Philippine economy (trade)	Ratio of imports & exports to GNP	Philippines National Accounts (Annual)	Data Abstraction	69 % (1991)	Low	A	OPE
Inflation Rate (monetary)	Inflation rate between 1-9 %; Yes/No measure	Central Bank of the Philippines (Annual)	Data Abstraction	9 % (1992)	Low	A	OPE
Tax Collection (fiscal)	Total national government tax revenue as a % of the GDP	Bureau of Internal Revenue (Annual)	Data abstraction	14.75 % (1991)	Low	A	OPE ONRAD
Net direct Foreign Investment (investment)	Balance of payments amount	Central Bank of the Philippines (Annual)	Data abstraction	\$ 640 Million (1991)	Low	A	OPE
COMMENTS: Tax collection refers to the national level: value added tax, personal and corporate income tax.							

#### **E. STRATEGIC OBJECTIVE 4: ENHANCED MANAGEMENT OF RENEWABLE NATURAL RESOURCES**

The Natural Resources Working Group had changed composition between PRISM I and PRISM II. A number of the group members had not participated in PRISM I and as group they felt that at the start that it would be important to move more slowly to do some clarifying about what had transpired in PRISM I and what the implications were for the newly constituted group, especially considering the decrease in resources available.

As a first step, the group felt it was important to articulate its Working Assumptions for this report. It is important to emphasize that while the group considered these as working assumptions, they felt that some definitely needed to be tested and that all have to be tempered with changing realities. Their working assumptions (factual and testable) were/are: (1) Action at the LGU, NGO, and PVO levels will be successful (i.e., these institutions are more sustainable and management will be better); (2) Demand for policy will be the new mode of interaction instead of policy driving actions; (3) It is important to remain in forestry (green activities), but in a more effective, limited, and targeted fashion; (4) Other donors will follow A.I.D.'s initiatives. A.I.D. can move away from or withdraw from select areas and move into new areas (e.g., blue) where others are likely to follow; (5) Having said this, A.I.D. must recognize that for sustainable progress even in the areas that it has withdrawn from, the Mission's leadership (e.g., in forestry) will require periodic revisiting and re-engagement with the host country and other donors; (6) The Government of the Philippines is interested in supporting Natural Resources Management and Development; (7) Commercial private sector involvement/investment is necessary for sustainability in the Philippines; (8) Continued degradation will occur with increasing demands on coastal environments; (9) The brown area is of critical concern to the Mission; (10) Selective receptivity for dealing with brown issues exists, i.e., some limited opportunities for engagement and involvement by USAID exist; (11) USAID needs to better communicate with the host country; (12) USAID encourages and enables innovation in the environmental and natural resources management area; (13) USAID is willing to accept risks relative to its role in innovation and leadership.

The work group made no changes to the statement of the strategic objective from PRISM I and agrees to pursue its attainment. This objective seeks to improve the management of renewable resources such as forestry, coastal, etc.

The group then began to look from the bottom up. In other words, they moved from their portfolio of projects and defined what about or "why" these projects were geared to meeting the POs defined during PRISM I.

At the end of the first week, chairpersons of all the working groups reported on the progress made by their group. At this point, the set of Natural Resource POs had been renumbered to reflect a reduction in the overall number of Strategic Objectives. Therefore, the four POs for the NR Working Group were:

- PO 4.1 Targeted approaches to sustainable natural resource management adopted in strategically selected geographic areas
- PO 4.2 Industrial pollution abatement approaches adopted
- PO 4.3 Increased local government use of effective environmental planning and assessment
- PO 4.4 Reduced population growth

The last PO had not appeared in this part of the PRISM I Objective Tree, however, Mission management had decided that it should be a primary consideration under the Environmental Sustainability Sub-Goal and had placed it here in Philippines Assistance Strategy.

By the end of the first meeting for reporting progress, Mission Management had determined that PO #4.3 and PO #4.4 both could be deleted from under SO # 4. The reasoning behind this is that PO # 4.3 was like many of the other POs in other sectors and should be addressed most directly in PO # 1.1 (Increased local government resources, mechanisms, models for responsive performance) or PO # 1.2 . Likewise, PO # 4.4 could be most directly handled under the appropriate PO for Reduced Population and Improved Health Strategic Objective. Mission Management, however, emphasized the importance of NRM indicators being developed to help manage for results in these two important areas and that ONRAD would be held responsible for monitoring those indicators that were most directly applicable to its program even though primary responsibility for achieving the PO would be the responsibility of another program.

Also, by the end of the meeting, it was clear that the NRM Working Group needed to find other wording that would capture the essence of their program outcomes since senior management did not believe that achieving specified "approaches" were the desired Program Outcomes.

#### **Program Outcome 4.1: Reduced degradation of natural resources in strategically selected geographic areas**

As they began to draw almost direct parallels between the NRMP project and the proposed SUSTAIN project, group members decided that it would be possible to combine what had previously been PO 5.1 (Forest Resources conserved and protected) and 5.4 (Coastal Resource Management (CRM) leadership provided) into one PO. As noted above, a first draft, the revised PO 5.1 appeared as: "Targeted approaches to sustainable natural resource management adopted in strategically geographic areas."

In response to guidance that "approaches" were not desired Program Outcomes, the NRM Working Group revised their PO to read:

Reduced degradation of natural resources in strategically selected geographic areas.



As the group developed indicators, they articulated some critical assumptions related to this PO, two of which are particularly important to the link between this PO and achievement of the SO--Enhanced Management of Renewable Natural Resources. One assumption is that application of various natural resource actions in targeted geographic areas will lead to reduced degradation and will lead to an enhanced management of renewable resources in those areas. The second assumption is that USAID will work in areas that are low on a productivity/richness curve or in rich areas (but ones that are not rapidly degrading) where Mission actions can at least stabilize, if not, increase the productivity relative to the potential of the area.

#### **Program Outcome 4.2: Reduction of environmentally harmful wastes in targeted industrial processes**

The NRM Working Group modified PO # 4.2 to read:

Reduction of environmentally harmful wastes in targeted industrial processes

The primary assumptions driving the revision of this PO as now shown is that it is in the interest of selected firms to participate in pollution abatement activities whether because of government programs or because of the savings that might accrue to firms over time by having environmentally sound practices.

#### **Issues and Concerns Related to Indicators**

The NRM Working Group was particularly concerned about issues related to indicators. They discussed the nature of the long-term and complex environmental indicators that would be valid, relevant and useful for monitoring for performance at the project level up to the strategy level. Few adequate data exist currently in the sector. Aerial photos, for example, while a potential source of information, are often inadequate because of lack of ground truthing. Additionally, even if indicators are tracked, the desired targets may not be achieved over the 5-8 years of a given strategic objective. And, in the process, while the desired end result may be an increase, f.i., in area of forest cover, it may be necessary to look first at trends of actually reducing the rate of deforestation before seeing a move toward increasing the actual area of forest cover. Further, the word "deforestation" and others like it may have a negative connotation; however it must be considered in the context of larger land use patterns where cutting of trees may be balanced over time with improved management practices which include regeneration, planting and related forest management practices. And finally, the concept represented by the word "sustainability" is still evolving and may take on new meanings and potentially require new indicators over time.

The expression of these concerns do not indicate a reluctance on the part of the NRM group to identify and track indicators. Rather, the discussions around these issues raised their interest in identifying a mechanism or set of mechanisms to develop a carefully designed methodology for collecting, analyzing and reporting indicators that will adequately address

Mission and AID/W concerns about monitoring for performance and managing for results.

In response to these concerns, the NRM Working Group proposed to look at the most appropriate, efficient, and cost effective mechanism(s) for developing a performance monitoring system for environmental indicators. They want to use data from current project monitoring activities, identify and use existing mechanisms (e.g., the Social Weather Station) that are being used by other offices insofar as possible, and investigate the development of other ways (e.g., contract a group of individuals or an institution) to develop and implement a systematic, scientifically well-designed and statistically sound monitoring activity.

The intent is for a more central (probably contracted) monitoring unit to: (1) do further analysis of what is feasible and what mechanisms are available to collect data not coming out of existing NRM projects; (2) work with individual projects and use data coming out of their monitoring activities; and (3) liaise with designated individuals in ONRAD to ensure that appropriate data sources are tapped and methodologies employed to obtain new, relevant, and valid data. The group would like to develop a performance monitoring strategy that makes this an efficient exercise that is responsive to USAID management needs, as defined by the overall strategy and PRISM process, and that contributes to project management as well. They propose that further discussion be conducted Mission-wide about the ways to get at linkages and synergies at the indicator level and identify if opportunities exist to combine monitoring efforts in ways that might reduce costs.

## Environment Objective with Indicators

### STRATEGIC OBJECTIVE #4 Enhanced management of renewable natural resources

- financial resources invested in natural resources (ONRAD)  
(e.g. central gov't, priv. sector, LGUs)
- # of selected NGOs, PVOs, private sector firms,  
LGUs engaged in renewable natural resource management (ONRAD)
- positive change in National Environmental  
Accounts (ONRAD)

#### PROGRAM OUTCOME #4.1 Reduced degradation of natural resources in strategically selected geographic areas

- forest area under systematic mgmt. instruments  
(e.g. communities, private sector, combinations, etc.)  
in targeted geographic areas (ONRAD)
- forest and coastal resources richness (e.g.,  
productivity, regeneration, biodiversity) of  
targeted areas (e.g., biomass, fish catches, regeneration,  
seedling survival rates, indicator species) (ONRAD)
- public awareness of critical environmental issues  
and pressure for change (ONRAD)

#### PROGRAM OUTCOME #4.2 Reduction of environmentally harmful wastes in targeted industrial processes

- number of firms using sound environmental  
practices (ONRAD)
- membership in 'env.' organizations (ONRAD)
- companies conducting PMAs and adopting  
recommendations on env. sound practices  
(# of PMAs, # of those adopting recs.) (ONRAD)
- investment by industries in pollution abatement  
equipment (ONRAD)

**OBJECTIVE: SO# 4: Enhanced Management of Renewable Natural Resources**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR OR DATE WHEN AVAILABLE)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Financial resources invested in natural resource management	<p>Unit: -Millions of Pesos/dollars</p> <p>Definition: -Amount of money invested in sustainable NRM by private sector, NGO/PVO, central govt., LGU, etc.)</p>	<p>Source: -Statistics Office of DENR -National Economic Development Authority -Dept. of Finance -Dept. of Trade and Industry -Statistical survey</p> <p>Frequency: Every two years with yearly extrapolations</p>	<p>-Data analysis study must be done at outset to determine suitability of using national accounts of National Economic Development Authority -If these data are not suitable, a special study must be done to obtain required information (statistical sample of groups that are investing) [Study should fit resources available from USAID and meet quality requirements]</p>	-1994	-Depends on precision and suitability of existing data. Likely cost would range from \$100,000 to develop baseline with \$50,000 every two years to update and additional funds for yearly extrapolation and reporting	<p>-C if national accounts are used</p> <p>-B if statistical survey is well-designed and conducted</p>	ONRAD
Organizational resources	<p>Unit: -# of selected NGOs, PVOs, private sector firms, etc. engaged in renewable natural resource management -% increase of population in selected areas (desegregated by ethnic groups, gender, etc.) being affected through NGO, etc. activities in renewable NRM</p> <p>Definition: -Organizations involved in renewable NRM activities</p>	<p>Source: -Selective surveys (statistical sample)</p> <p>Frequency: Every two years with yearly extrapolations</p>	-Statistical analysis--this is closely linked with financial resources indicator above	-1994	-Incremental cost added to costs of first indicator above--\$10,000-\$15,000	-B if statistical analysis done	ONRAD

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR OR DATE WHEN AVAILABLE)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
National Environmental Accounts	Unit: -TBD  Definition: In-country environmental monitoring instrument; adjusts GDP for the costs of natural resource use (\$ value of environmental costs)	Source: -National Economic Development Authority -ENRAP  Frequency: -Annual (if institutionalized by government) -If USAID is expected to continue funding it, it is likely to provide a first year baseline end then not be used again	-Development of protocols in natural resources accounting; selected regions and selected primary sector activities (e.g., forests, fisheries)	-1994 in selected areas	-\$600,000 already invested by AID; will need another approximately \$250,000 to adapt the system to Philippine context	-B, if targeted in selected geographic areas and sub-sector activities (e.g., forestry)	ONRAD
COMMENTS:							

## Program Outcome 4.1 Reduced degradation of natural resources in strategically selected geographic areas

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YR/ DATE AVAILABLE)	FUTURE COST OF DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Forest area under systematic management instruments in targeted geographic areas	Units: -# of ha -% increase in areas to show change  Definitions: Management instruments (e.g., resource access agreements) include those for communities, private sector, combinations of public and private, etc.	Source: -DENR (by region, province, management agreement -NRMP  Frequency: Annually	-Project is reporting on types of agreement and areas involved in targeted areas	-1992	-Additional level of effort may be needed after analysis to ensure that specific data required is being produced; \$20,000-\$30,000 to put new analysis system in place and reduced costs once system is in place (Analysis must be done)	-B +	ONRAD
Forest and coastal resources richness of targeted areas	Unit: -# of ha - Area of near shore and coast- -Inc. in biomass, fish catches, regeneration, seedling survival rates, and/or indicator species (depending on site and site-specific needs)  Definition: Resource richness (generally defined here to include productivity, regeneration, biodiversity), depending on what is being looked at in the targeted areas	Source: Baseline data will be gathered through special surveys to be undertaken by SUSTAIN  Frequency: TBD (project in design phase)	Source: -Baseline needed to provide average and range of conditions -Middle and end of project assessments will be done -NRMP and SUSTAIN will monitor indicators (e.g., demographic changes (gender desegregated, swidden ag. changes) for each site more regularly	-1995	-\$50,000-\$250,000 built within project monitoring costs for initial baseline and follow-up studies	-B +	ONRAD

### COMMENTS:

-For purpose of linkage with other POs, ONRAD recommends that an indicator be added to POs #1.1 and #1.2 which will deal with public awareness of critical environmental issues and actions being taken to pressure for change in environmental conditions. The critical assumption here is that environmental education leads to change in behavior. The approach for data collection would include indicators specifically designed to be included in the Social Weather Station surveys that would address environmental issues. It might also require special studies to identify what incentives are needed in addition to awareness to ensure change in environmentally sound behavior.

-Linkage with the reduced population issue is of deep concern to the NRM Working Group. Under the decreased funding scenario of the Mission, it may be hard for NRM activities to be specifically designed to address population issues, however, the NRM group suggested that through the development of environmental plans at the LGU level, effort will be made to get local officials, groups, and individuals to think about and understand the implications of population density and expected growth rates on natural resource management. The efforts will also include opportunities to make LGUs more receptive to family planning issues and to identify areas where receptivity exists and identify areas where lack of awareness or demand for family planning activities may need to be addressed.

**Program Outcome PO #4.2 Reduction of environmentally harmful wastes in targeted industrial processes**

PERFORMANCE INDICATOR	DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/FREQUENCY	METHOD/APPROACH	BASELINE (YEAR/DATE AVAILABLE)	FUTURE COST DATA COLLECTION	QUALITY OF DATA	RESPONSIBLE OFFICE/PERSON
Firms using sound environmental practices	Unit: -# of firms using selected industrial processes  Definition: Those firms applying for Environmental Clearance Certificates (ECCs)	Source: -Environmental Management Bureau (EMB) of DENR  Frequency: Annual	-Special study to review data at EMB on Environmental Clearance Certificates (ECC)	-1994	-\$100,000-\$150,000 because of increased Level of Effort by contractor to collect, analyze and report data to A.I.D.	-B + if special study designed	ONRAD
Companies conducting Pollution Management Appraisals (PMAs) and adopting recommendations on sound environmental practices	Unit: -# of companies - # adopting recommendations  Definition: -Firms that go through official assessment, financing, installation, and operation process with regard to pollution abatement	Source: -EMB/DENR -IEMP  Frequency: Annual	-Information obtained through EMB	-1993	-Included in cost cited in first indicator under this PO	-B +	ONRAD
Investment by industries in pollution abatement equipment	Unit: -Millions of pesos/dollars -Estimate of savings for waste minimization  Definition: -Amount of money invested in pollution abatement and savings accruing to company because of pollution abatement over time	Source: -Dept. of Commerce -USAEP (?)  Frequency: Annual	-Use of existing data through EMB -Special surveys will be required	-1994	-Included in cost cited in first indicator under this PO	-B +	ONRAD
Membership in "environmental" associations	Unit: -# of firms -% firms adopting environmental practices Definition: Firms with official membership in "environmental" associations because of their interest in environmental objectives	Source: -Private sector associations -Environmental organizations -IEMP  Frequency: Annual	-Lists exist -Additional survey needs to be done -Collation needs to be done on subsets to track changes in membership by subsets of firms	-1994	-Included in cost cited in first indicator under this PO	-B +	ONRAD

**COMMENTS:** With regard to linkages, the NRM Working Group indicated the possibility of using data collected under IEMP (which works primarily outside of the National Capital Region) and additional data collected to provide details that may be of use in tracking the environmental implications of work done under PO # 3.2.

## **CHAPTER III. Recommendations and Proposed Next Steps**

### **A. Introduction: Further Development of Performance Monitoring**

In working with the strategic work groups, the PRISM team has had the opportunity to reflect on next steps which would sustain the further development of the Mission's performance monitoring system. We offer these in terms of both technical considerations and management concerns.

### **B. Technical Considerations**

- **REVIEW MISSION STRATEGIC PLAN.** Review and discuss the Mission's Strategic Objectives and Program Outcomes and their associated performance indicators, first with all USAID staff who participated in the work groups, and, then, if appropriate, with government agencies, NGOs, PVOs and other cooperating agencies and contractors, to ensure acceptability of the strategy. An iterative process to achieve the overall objectives of strategic planning and managing for results will need to be implemented. This will include regular review of SOs, POs, and indicators in response to: changes in human and financial resources; changes in data sources as some projects where data may have been collected are ended; and refinement of projects and activities through the course of Mission decisionmaking.
- **CONFIRM DATA SOURCES.** Data sources for most of the SO and PO indicators have been identified during this TDY. In some cases, these data will be routinely available through projects, government sources or other established mechanisms. In some cases, obtaining data for indicators will require additional work and expense. This is especially true for the environment and democracy objectives where standard data sources are either non-existent or unreliable. The Mission should recognize that extra data collection may be necessary to obtain the information it wants yet should realize that if proposed data collection effort is very costly, consideration should perhaps be given to reliable alternative indicators. For efforts which will require additional data collection, the Mission should give careful consideration to what information it wants and employ experts in research methods and evaluation to implement the task through the most cost effective and efficiency mechanism available (i.e., an internal or external contractor).
- **ESTABLISH BASELINE DATA.** Baseline data have been identified for some of the SOs and POs, but further work in baseline data identification is needed to provide a comparative framework for assessing progress. If the indicator does not lend itself to definition and measurement in some form on a regular basis, then the indicator should be eliminated and if possible replaced by one that can be measured regularly over time.
- **SET TARGETS.** Establish specific performance targets to be achieved for the



strategic objective and program outcome performance indicators, as a guide to monitoring performance over the life of the Mission's strategy. The matrix shown in Annex D can be used for recording the baseline and the performance target data.

- **LINKAGE IDENTIFICATION AND MONITORING.** The Mission Director has stressed the importance of viewing the Mission strategy within an integrated, holistic perspective that explicitly takes into account the interdependencies among the SOs and POs, rather than dealing with them narrowly within a sector-specific framework. For example, small business growth within the economic development sector may directly affect programming within the natural resources sector i.e., environmentally degrading economic development obviously stresses the management of renewable natural resources. Many of these linkages were identified during this TDY and are reflected in the indicators chosen for monitoring SOs and POs. These potential linkages should continue to be reassessed and monitored to gauge and address their programmatic implications within and across sectors.
- **DISAGGREGATION CONSIDERATIONS:** Analysis of SOs and POs, wherever relevant, should disaggregate data by important categories such as gender, ethnicity, geographic area, income levels, etc.

### **C. Management Considerations**

- **PERFORMANCE MANAGEMENT COMMITTEE.** The strategic objective work groups have spent considerable amount of time and contributed serious substantive thought to the development of a Mission performance measurement process. This momentum should be sustained. They should continue to meet on quarterly, preferably to coincide with the quarterly reviews, to discuss progress, make necessary adjustments, and agree on next steps towards the implementation and monitoring of the Mission's program.

To that end, we recommend that the work group leaders be re-titled as the *Performance Management Committee (PMC)* and be chaired by the Office of the Mission Director. This would institutionalize the concepts and operationalization of performance monitoring within senior Mission management to ensure visibility, recognition and serious support within the Mission and the Bureau for results management. For example, the PMC could serve to review all program initiatives (and new projects) to assess the quality of their performance measurement plans, thereby serving as a results management quality control check. The Office of Project development and Implementation and Support and the Office of Planning Resources and Management should be represented on the committee for coordination purposes and to provide support as needed from IQC technical services contracts for special data collection and analysis.

We also recommend that active/effective PMC participation should be recognized in

the EER process and rewarded accordingly to provide essential incentives. We recommend as well broadening this incentive for performance management to all Mission managers by encouraging them through the EER process to routinely use sound performance data to manage for results.

## **APPENDIX A: STRATEGIC OBJECTIVE WORKING GROUPS**

APPENDIX A: STRATEGIC OBJECTIVE WORKING GROUPS

PRISM II WORKING GROUPS

Natural Resources Group	Open Market Economy Group	Productive Investment Group	Democratic Institutions Group	Health and Economic Well-Being Group
John Grayzel, Chairperson	Jim Mudge, Chairperson	Bei Zonaga, Chairperson	Lisa Chiles, Chairperson	Oscar Picazo, Chairperson
Ed Queblatin, ONRAD	Barry Primm, ONRAD	Gil DyLiacco, OPE	John Heard, OVC	Dodong Capul, OPHN
Gerry Carranceja, PESO	Brad Wallach, PESO	Bruno Cornelio, PESO	Lisa Magno, OVC	Lisa Magno, OVC
Nards Dayao, ONRAD	Malu Panlilio, OPE	Earl Gast, OCP	Harry Dickherber, ONRAD	Dr. "V", OPHN
Ronald Senykoff, ONRAD	Don Masters, PDIS	Dario Pagcaliwagan, PESO	Malu Panlilio, OPE	Eilene Oldwine, OPHN
Del McCluskey, ONRAD	Lina Jensen, ONRAD	John Chang, OPE	Boy Dulce, ONRAD	Cam Pippitt, PDIS
Trish Moser, ONRAD	Gerry Porta, OVC	Jomar Ochoa, ONRAD	Ima Verzosa, PDIS	Jose Garzon, OVC
Ken LuePhang, OCP		Bob Barnes, OCP	Cho Roco, PRM	
			Dave Nelson, OVC	

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## **APPENDIX B: TDY SCHEDULE**

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October 25, 1993

PROPOSED SCHEDULE OF WORK FOR PRISM TEAM

Monday, Oct. 25:

11:00 A.M. Meeting with Senior Management for briefing on revised funding levels and need to revise Agreement on revised SOW; expectations and deliverables by November 10.

- 1:30 P.M.
- (a) Meeting with Working Groups for concurrence on SOW, expectations and deliverables by November 10.
  - (b) Establish WG schedule of meetings
  - (c) AID/W update on PRISM and Strategies
  - (d) WG schedule to Boyet for distribution on October 26.

Tuesday, Oct. 26-29:

- (a) Distribution of WG schedules
- (b) WG Meetings-Agenda: Come up with revisions to SOWs and program outcomes by October 29.

Friday, Oct. 29:

- (a) Reporting out by WGs to Senior Management
- (b) Revisions based on feedback

Saturday, Oct. 30: Revisions by team

Monday, Nov. 1-6: Begin refinement of program outcomes and identification of performance indicators (see p. 58 of PRISM I)

Monday, Nov. 8-9

Wednesday, Nov. 10: Reporting out of progress on program outcomes and PIs by WGs

Nov. 11 Revisions

Nov. 12 Debriefing and submission of draft to Senior Management

Wednesday, Dec. 15: Mission submission to AID/W of revisions

## **APPENDIX C: DEFINITIONS OF TERMS**

## APPENDIX C: DEFINITIONS OF TERMS

**PERFORMANCE INDICATOR:** state the variable used to monitor performance of the objective or program outcome.

**DEFINITION AND UNIT OF MEASURE:** state precisely what is being measured. Picture yourself as an evaluation officer who comes in a few years later and needs to know exactly how to replicate the data collection. What, precisely, is the indicator and what is the exact unit of measurement? What are the numerator and denominator?

EX: Suppose the objective is to increase the practice of contraception. The rough indicator might be 'the number of women who practice one or more forms of contraception on a regular basis'. How is 'woman' defined (age, in union, in a geographical area); what are the forms of contraception?; what is meant by 'regular basis'?; is the unit the absolute number of women or a percentage or something else?

**DATA SOURCE\FREQUENCY:** state the source(s) for the data and, in parentheses, the frequency (or years) for which the data will be available. If multiple data sources will be used, state each source, as specifically as possible, followed by the years for which that source will be used.

**DATA COLLECTION METHOD\APPROACH:** concisely state the method used to collect the data (i.e., survey, special study, etc.). Think replication when completing this column. How would a newcomer several years later collect data for the same indicator. Be as complete and precise as possible.

**BASELINE (YEAR):** Identify the baseline figure and year, if available. If a baseline figure is not available, indicate 'TBD' and the anticipated year when the baseline will be available.

**FUTURE COST:** state the known or anticipated costs to collect the data. This is defined in terms of Mission effort to gather the data (how long it takes the responsible person to get the data) according to the following scale: LOW (takes less than one person-day of effort to collect the data; routine); MEDIUM (takes between two and three person days of effort to collect); HIGH (takes more than three person days of effort to collect the data).

**QUALITY OF DATA:** state responsible person's confidence in the data according to the following scale: A (relatively confident in the data); B (data are OK); C (little or no confidence in the quality of the data).

**RESPONSIBLE PERSON\OFFICE:** state the name of the office and the name of the person responsible for collecting these data.

**COMMENTS:** Use this space to elaborate on items in the other columns and other issues pertinent to monitoring the particular objective or outcome. Here one might want to include a discussion of data disaggregation issues; the details of special studies; assumptions made in choice of indicators and means of data collection; notes on the timing of data (i.e., end of harvest, etc.) of relevant. The idea here is to provide any information that might be useful to another person who might carry on the performance monitoring responsibilities of the objective and/or outcomes.



## APPENDIX D: DATA TABLES

# APPENDIX D: DATA TABLES

Table 1.0.b: DATA FOR SO1: BASELINE, EXPECTED RESULTS, AND ACTUAL RESULTS

Strategic Objective 1: (insert text of SO1 here)

PERFORMANCE INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS											
				1993		1994		1995		1996		1997		1998	
		YEAR	VALUE	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL
1) (insert text of the first performance indicator here)	Unit: Definition:														
2) (insert text of the second performance indicator here)	Unit: Definition:														
3) (insert text of the third performance indicator here; add more rows for additional perf. indicators by doing as follows: alt ft; lns; rows; number of rows you want.)	Unit: Definition:														
Narrative Comments/Notes:															

Table 1.1.b: DATA FOR PO1.1 -- BASELINE, EXPECTED RESULTS, AND ACTUAL RESULTS

Strategic Objective 1: (insert text of SO1 here)

Program Outcome 1.1: (insert text of PO1.1 here)

PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS											
				1993		1994		1995		1996		1997		1998	
		YEAR	VALUE	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL	EXP'ED	ACTUAL
1) (insert text of the first program indicator here)	Unit: Definition:														
2) (insert text of the second program indicator here)	Unit: Definition:														
3) (insert text of the third program indicator here; add more rows for additional program indicators by doing as follows: alt ft; lns; rows; number of rows you want.)	Unit: Definition:														
Narrative Comments/Notes:															